



FY 2007 EMERGENCY SUPPLEMENTAL SUMMARY OF “EMERGENCY” SPENDING

March 2007

The following “emergency” spending items are included in the supplemental appropriations bill, which is intended to fund the Global War on Terror.

Hurricane Citrus Program: Provides \$100 million to provide assistance to citrus producers (such as orange producers) in the area declared a disaster related to Hurricanes Katrina and Rita.

NASA: Provides \$35 million to NASA, under the “exploration capabilities” account, for “expenses related to the consequences of Hurricane Katrina.”

Corps of Engineers: Provides \$1.3 billion to Corps of Engineers for continued repairs on the levee system in New Orleans.

FEMA: Provides \$4.3 billion for disaster relief at the Federal Emergency Management Agency (FEMA). The bill would eliminate the state and local matching requirements for certain FEMA assistance (in connection with Hurricanes Katrina, Rita, Wilma, and Dennis) in the states of Louisiana, Mississippi, Texas, and Florida, and provides that the federal portion of these costs will be 100%.

HUD Indian Housing: Provides \$80 million in tenant-based rental assistance for public and Indian housing under HUD.

Crop Disaster Assistance: Provides roughly \$3 billion in agriculture assistance to crop producers and livestock owners experiencing losses in 2005, 2006, or 2007 due to bad weather.

Spinach: Provides \$25 million for payments to spinach producers that were unable to market spinach crops as a result of the FDA Public Health Advisory issued on September 14, 2006.

Shrimp: Provides \$120 million to the shrimp industry for expenses related to the consequences of Hurricane Katrina.

Frozen Farmland: Provides \$20 million for the cleanup and restoration of farmland damaged by freezing temperatures during a time period beginning on January 1, 2007 through the date of enactment.

Milk Income Loss Contract (MILC) Program: Provides \$283 million for payments under the MILC program, to extend the life of the program for one year, through September 30, 2008. MILC provides payments to dairy farmers when milk prices fall below a certain rate.

Peanut Storage Subsidies: Provides \$74 million to extend peanut storage payments through 2007. The Peanut Subsidy Storage program, which is set to expire this year, pays farmers for the storage, handling, and other costs for peanuts voluntarily placed in the marketing loan program.

Aquaculture Operations: Provides \$5 million for payments to “aquaculture operations and other persons in the U.S. engaged in the business of breeding, rearing, or transporting live fish” (such as shellfish, oysters and clams) to cover economic losses incurred as a result of an emergency order issued by the Animal and Plant Health Inspection Service on October 24, 2006.

FDA Office of Women’s Health: Provides \$4 million for the Office of Women’s Health at the Food and Drug Administration.

National Oceanic and Atmospheric Administration (NOAA): Provides \$60.4 million for fishing communities, Indian tribes, individuals, small businesses, including fishermen, fish processors, and related businesses for assistance related to “the commercial fishery failure.” According to the Committee Report, this funding is to be used to provide disaster relief for those along the California and Oregon coast affected by the “2006 salmon fishery disaster in the Klamath River.”

Avian Flu: Provides \$969 million for the Department of HHS to continue to prepare and respond to an avian flu pandemic. Of this funding, \$870 million is to be used for the development of vaccines.

Secure Rural Schools Act (Forest County Payments): Provides \$400 million to be used for one-time payments to be allocated to states under the Secure Rural Schools and Community Self-Determination Act of 2000. This program provides a funding stream (known as forest county payments) to counties with large amounts of Bureau of Land Management land, in order to compensate for the loss of receipt-sharing payments on this land caused by decreased revenue from timber sales due to environmental protections for endangered species. The authorization for these forest county payments expired at the end of FY 2006, and counties received their last payment under the Act in December 2006.

LIHEAP: Provides \$400 million for the Low-Income Home Energy Assistance Program (LIHEAP).

Vaccine Compensation: Provides \$50 million to compensate individuals for injuries caused by the H5N1 vaccine, which is a flu vaccine.

Payment to Widow of Rep. Norwood: Provides \$165,200 to Gloria W. Norwood, the widow of former Rep. Charlie Norwood (R-GA), an RSC Member, who passed away last month. In the Emergency Supplemental Appropriations Act of 2005 (H.R. 1268), Congress provided \$162,100 to Doris Matsui, the widow of former Rep. Robert Matsui.

Capitol Power Plant: Provides \$50 million to the Capitol Power Plant for asbestos abatement and safety improvements.

Liberia: Provides that money appropriated for FY 2007 for the Bilateral Economic Assistance program at the Department of Treasury may be used to assist Liberia in retiring its debt arrearages to the International Monetary Fund, the International Bank for Reconstruction and Development, and the African Development Bank.

SCHIP: Provides \$750 million to the Secretary of HHS to provide assistance to the State Children's Health Insurance Program (SCHIP) "shortfall states," in the form of an amount "as the Secretary determines will eliminate the estimated shortfall." This provision is direct spending that is essentially capped at \$750 million and designated as an emergency to avoid PAYGO constraints.

Minimum Wage Increase: Increases the federal minimum wage from \$5.15-per-hour to \$7.25-per-hour over two-plus years—a 41% increase. Yields \$16.5 billion in private-sector costs over five years.

Tax Increases and Shifts: Implements several tax increases and shifts, including: denying the lowest maximum capital gains tax rate for certain minors and adults, extending the suspension of interest payments due to the IRS, and adjusting the deadlines for corporate estimated tax payments. Costs taxpayers \$1.380 billion over the FY2007-FY2017 period.
